

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1837 - SB 2032

March 27, 2009

SUMMARY OF BILL: Requires any individual convicted of DUI to obtain a special license plate for their motor vehicle containing the words "DUI OFFENDER" within 30 days of conviction. Requires the license plate to remain on the vehicle for a minimum period of one year.

ESTIMATED FISCAL IMPACT:

Increase State Revenue -

\$163,300/FY09-10

\$196,000/FY10-11 and Subsequent Year

Increase State Expenditures -

\$58,100/One-Time

\$207,500/FY09-10

\$249,100/FY10-11 and Subsequent Years

Assumptions:

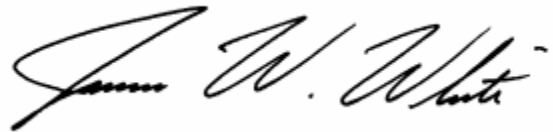
- The Department of Safety (DOS) indicates approximately 28,000 annual DUI convictions and approximately 14,000 annual reinstatements of driver's licenses following suspensions or revocations due to DUI.
- According to the Department of Revenue, the production cost of a license plate is \$3.76. The resulting increase to state expenditures is estimated to be \$105,300 per year ($28,000 \times \$3.76 = \$105,280$).
- This bill requires the DUI offender to bear the cost of such plate at a price determined by DOR. Based on information provided by DOR, the price for the special plate is estimated to be \$10 each.
- Seventy percent of DUI offenders comply with the provisions of this bill.
- The increase to recurring state revenue derived from fees charged for the special plates is estimated to be \$196,000 per year [$(28,000 \times 70\%) \times \$10 = \$196,000$].
- DOR will require three additional Taxpayer Services Representative positions to implement the provisions of this bill. The associated

increase to recurring state expenditures is estimated to be \$143,800 per year (\$72,900 salaries, \$51,800 benefits, \$19,100 other). One-time state expenditures related to these additional positions is estimated to be \$14,100 (computers, software, communications, etc.).

- Additional one-time state expenditures of \$44,000 for computer and software modifications made to DOR systems.
- First-year revenue and recurring state expenditures resulting from this bill is estimated at 83.3 percent of the first full-year impact due to September 1, 2009 effective date.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/rnc